Revenue losses in Postal Department

†3578. SHRIMATI KUM KUM RAI : Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state :

(a) whether it is a fact that Government have suffered losses to the tune of Rs. 1600 crore in the Postal Department during the last financial year;

(b) if so, the reasons therefor;

(c) the measures being taken to reduce the losses; and

(d) the likely impact of these measures during the current financial year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SU THIRUNAVUKKARASAR) : (a) The Postal Department has been in deficit during the last financial year. Such deficit for the year 2001-02 was Rs. 1411.51 crore.

(b) Reasons for such deficit are mainly attributable to the following :–

(i) Nearly eighty-nine percent of the expenditure is towards committed liabilities like salary, pension, etc.

(ii) Rates of most of the Postal services have not kept pace with the steadily rising cost of operations.

(iii) No significant increase in conventional postal traffic.

(c) The Department is making all efforts for reduction of deficit, by adopting measures like proper expenditure control, enforcing strict economy measures on the basis of the guidelines issued by Ministry of Finance from time to time and generating more receipts by giving special emphasis on premium product services and introducing new services.

(d) Due to these efforts, the deficit of the Department has been proposed for Rs. 1309.85 crore in the current financial year (Budget Estimates 2003-2004).

†Original notice of the question was received in Hindi.